

WASHINGTON, DC (December 9, 2010) – Today Rep. Jan Schakowsky (D-IL), Co-Chair of the House Democratic Seniors Task Force, released the following statement in response to House Republicans' voting to block fully paid-for legislation that would have provided millions of Social Security beneficiaries in Illinois—seniors, the disabled, widows, veterans, and children—with a one-time payment of \$250 in lieu of a cost-of-living increase this year while not adding to the deficit.

“It is unconscionable that House Republicans voted against the well-being of our nation’s seniors who are fighting to pay for medications and put food on the table. Instead of standing up for seniors, Republicans are standing up for tax cuts for their millionaire and billionaire friends.

“2011 will be the second year without a cost-of-living adjustment in Social Security benefits, yet the cost of health care, prescription drugs, and energy continues to skyrocket. The \$250 means a lot to people on a

“Expert analysis shows that Social Security benefits are not keeping pace with inflation under the current cost-of-living formula. A July 2010 National Bureau of Economic Research study

found purchasing power of benefits, without counting medical expenses, have declined by about 20% for men and 27% for women over the course of their retirement years.

“While we work to fix the formula for Social Security, the \$250 payment that would have been provided with H.R. 5987 could help seniors who are struggling financially – particularly given the loss of retirement savings and pensions.

“Of course, the most important experts are retirees themselves. Nearly one in four seniors relies on Social Security for 90 percent or more of their income. Their benefits are very modest, averaging \$14,000 a year – and \$12,000 a year for women. The lack of a COLA increase matters greatly to them.

“Norman Brown from Chicago called me to say, “The cost of living is going up...the cost of food is going up...Social Security checks need to go up with it.”

“And Mr. and Mrs. Goggin from Des Plaines wrote, “Now, for the second year in a row, we face no increase in our monthly Social Security benefits. Despite the idea that there is no inflation, our utility, housing, medical and other living expenses continue to rise. WE NEED YOUR HELP!!!!”

“We need to help seniors make ends meet and help the ailing economy at the same time. These \$250 checks would be spent immediately, acting like a booster shot. As Mr. and Mrs. Johnstone pointed out in their letter, “This would create an immediate stimulus, because this money will be spent and returned to the economy.”

“I can assure you that Democrats will continue to fight for this legislation and to protect the Social Security benefits that Americans have worked their whole lives to earn.”